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DUMONT NICKEL

CORPORATION

(NO PERSONAL LIABILITY)

**ELEVENTH  
ANNUAL  
REPORT**

FOR THE YEAR ENDED  
DECEMBER 31, 1965



# DUMONT NICKEL CORPORATION

(NO PERSONAL LIABILITY)

Head Office: 715 Third Avenue, Val d'Or, Quebec

Incorporated under the Quebec Mining Companies Act

By Letters Patent—22nd. Sept. 1954

Capitalization ..... 6,000,000 shares

Issued and Fully Paid ..... 3,955,703 shares

## OFFICERS and DIRECTORS

President and Director .....	G.H. Dumont,	Consulting Engineer, Val d'Or, Quebec.
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Vice-President and Director .....	J.H. Kentish,	Business Executive, Malartic, Quebec.
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Secretary-Treasurer and Director .....	J.W. Kentish	Lawyer, Toronto, Ontario.
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Assistant Secretary-Treasurer .....	Chas. A. Magnan	Business Executive, Montreal, Quebec.
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Director .....	J.P. Berube,	Mining Contractor, Val d'Or, Quebec.
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Director .....	G.R. Landry,	Business Executive, Val d'Or, Quebec.
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## AUDITORS

Belanger, Lhoumeau & Sureau, Chartered Accountants, Val d'Or, Quebec.

## REGISTRAR and TRANSFER AGENTS

Eastern and Chartered Trust Company, Montreal



DUMONT NICKEL CORPORATION

ANNUAL REPORT

June 27, 1966

To the Shareholders of  
Dumont Nickel Corporation

Enclosed is notice of our Annual Meeting called for the 15th of July, 1966 - time and place specified on proxy notice, together with Balance Sheet and corporate information covering to March 31st, for your approval.

Your Company in the past year has taken a more aggressive policy in development of their subsidiary, Abitibi Copper Mines. With investment loans of approximately \$90,000 to Abitibi for further drilling exploration, this in addition to the \$80,000 we had previously invested in Abitibi, brings Dumont's holdings in Abitibi to approximately 82%.

Presently a complete and up-to-date feasibility report is being prepared on Abitibi Copper Mines. Our Company, Dumont, now plans to negotiate major financing for Abitibi Copper, shaft sinking down to 1400 feet, underground exploration and general development. This large financing programme Dumont now feels may be negotiated and obtained from purchasers of copper concentrates against future shipments to them. Indicated ore after 38,000 feet of drilling make this type of finance entirely feasible. Shareholders will be kept fully informed of the progress, or any change thereof, in this all important development in the affairs of your Company.

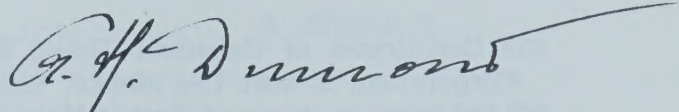
Being so occupied in the development of Abitibi Copper, your Company dropped their outstanding options on Quebec Moly Mining Corporation shares - our investment holding in Quebec Moly stands at 600,000 shares at a cost of \$55,000. Quebec Moly has very encouraging results from their past exploration programme and no doubt, will have no problems getting additional funds from other sources to further continue their exploration.

Your Company continues to be on the lookout for new worth while properties of merit that it can stake or purchase and explore for, and on it's own behalf.

Our nickel property in Duvernay, Quebec remains idle but is kept in good standing with the Department of Natural Resources. Besides having some nickel indications on it, the location of this property is very favourable and at some future date further exploration is warranted.

Our large holdings in Anglo American Molybdenite Mining Corporation, both in common and preferred shares, this year took a considerable beating in market value. It seems Anglo American had serious problems with their metallurgy since opening which caused a serious reduction in their ore grade and tonnage. However, latest report from that company is that they are doing much better and are now operating on a profitable basis. Further, they are projecting a new exploration programme on their lower levels to find and develop additional ore. From new reports available this exploration has already encountered several new commercial grade ore veins on their 600 foot level.

I wish to thank all those who serve with me on the Board of your Company, those in the office and field work, particularly Mr John H. Kentish, our Vice President and General Manager, whose tireless efforts and ability we recognize.

A handwritten signature in dark ink, appearing to read "G.H. Dumont", with a long, sweeping horizontal line extending to the right.

G.H. Dumont,  
President.



# DUMONT NICKEL CORPORATION

(NO PERSONAL LIABILITY)

## BALANCE SHEET

as at 31st March, 1966

### ASSETS

#### CURRENT ASSETS:

Cash in Bank .....	\$ 2,321.74	
Prepaid Expense .....	1,028.72	\$ 3,350.46

#### INVESTMENTS IN SHARES OF AND ADVANCES TO PARTLY OWNED SUBSIDIARY COMPANY:

Shares of Anglo American Molybdenite Mining Corporation (N.P.L.) at cost:

310,700 preferred shares, of a par value of \$1.00 each, voting redeemable, dividend of 6% per annum, non-cumulative until 30th June 1973 and cumulative thereafter ..... \$ 310,700.00

529,450 common shares of a par value of \$1.00 each (Market Value of \$661,812.50 ..... 116,336.50  
\$ 427,036.50

250 Certificates of Canadian Shield Mining Corporation, at cost (No Market Value) .... 5,125.00

600,000 common shares of Quebec Moly Mining Corporation (N.P.L.) at cost (No Market Value). ..... 90,000.00

Dominion of Canada Bonds at cost, under deposit with a government body (Market Value \$1,000.00) ..... 1,000.00

1,295,000 shares of Abitibi Copper Mines Ltd of which 445,500 shares are pooled, at cost, (Note 1, Schedule "A") - No Market Value) 80,000.00

Advances to Abitibi Copper Mines Limited .... 80,501.37

Advances to Anglo American Nickel Corporation Limited ..... 5,102.00 688,764.87

#### FIXED ASSETS:

Unpatented mining claims acquired by the issue of 40,000 shares of the Capital Stock of the Company and \$3,600.00 in cash (2 claims valued at \$1,900.00 were abandoned) ..... \$ 5,700.00

Claims under option (Note 2, Schedule "A") ..... 1,000.00

Furniture and Equipment, at cost (Note 3, Schedule "A") ..... 3,063.98 9,763.98

#### EXPLORATION AND DEVELOPMENT EXPENSES,

Schedule "B" ..... 101,914.59

#### GENERAL AND ADMINISTRATIVE EXPENSES, Schedule "B"

..... 115,816.57

#### ORGANISATION EXPENSES

..... 3,995.00  
\$ 923,605.47

#### APPROVED ON BEHALF OF THE BOARD:

Director: J. H. Kentish

Director: G. H. Dumont

## LIABILITIES

### CURRENT LIABILITIES:

Bank Loan	\$	50,000.00	
Note Payable		10,000.00	
Tax Deductions		260.25	
Due to a Broker		2,587.50	\$ 62,847.75
<b>DUE TO BERMONT MINES LTD</b>			<b>5,000.00</b>

### CAPITAL:

#### Authorized:

6,000,000 shares of a par value of  
\$1.00 each ..... \$6,000,000.00

#### Issued and Fully Paid (Note 5, Schedule "A")

3,955,703 shares of a par value  
of \$1.00 each ..... \$3,955,703.00  
Less: Discount thereon ..... 3,137,991.25      817,711.75

### SURPLUS:

Profit on sale of investments .....	\$	337,984.72	
Deduct:			
Options and Mining Claims abandoned .....	\$	112,611.20	
Exploration and Development Expenses .....		103,493.90	
General and Administrative Expenses, incurred on abandoned claims .....		<u>83,833.65</u>	<u>299,938.75</u> 38,045.97
			<u><u>\$ 923,605.47</u></u>

THE ABOVE IS THE BALANCE SHEET REFERRED TO  
IN OUR REPORT TO THE SHAREHOLDERS DATED APRIL 27, 1966.  
BELANGER, L'HOUMEAU & SUREAU,  
Chartered Accountants.

of the Shareholders of

"Dumont Nickel Corporation"

(No Personal Liability)

We have examined the Balance Sheet of "Dumont Nickel Corporation (No Personal Liability)" as at 31st March, 1966 and the statements of Exploration and Development Expenses and General and Administrative Expenses for the period from 22nd September, 1954, date of incorporation, to 31st March 1966.

Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying Balance Sheet, and the Statements of Exploration and Development Expenses and General and Administrative Expenses, present fairly the financial position of the Company as at 31st March, 1966 in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

BELANGER, L'HOUMEAU & SUREAU,  
Chartered Accountants.



# DUMONT NICKEL CORPORATION

(NO PERSONAL LIABILITY)

## NOTES

NOTE 1) The Company incurred \$80,000 in exploration and development expenses on mining properties optioned from Abitibi Metal Limited. Abitibi Copper Mines Limited (76.17% of the issued shares of which are owned by the Company) was incorporated and the Company transferred the said mining properties to Abitibi Copper Mines Limited and received as its share 495,000 shares and \$80,000.00. The company subscribed for and allotted 800,008 treasury shares of Abitibi Copper Mines at 10¢ per share.

NOTE 2) For the consideration of \$1,000 the Company has acquired under a working option for a period of two years from 24th March, 1962, five mining claims situated in Louvicourt Township, Abitibi County, Quebec. This option was extended for a period of four years without consideration. Prior to the expiration of the agreement, the Company may acquire the mining claims for the further consideration in its discretion of 45% of the vendor's stock allotted to the Company as vendor in the event that the Company forms a new corporation and transfers the said claims to such corporation.

For the consideration of \$4,000 the Company has acquired under a working option for a period of two years from the 20th February, 1964, 32 mining claims situated in Cadillac Township, Abitibi County, Quebec. These claims have been abandoned and a total cost of \$5,267.00 was charged to Surplus.

NOTE 3) No Depreciation was taken for the period.

NOTE 4) Shares issued for cash:

3 shares at \$1.00 .....	\$ 3.00
480,700 shares at prices ranging from \$0.40 to \$0.80 .....	241,708.75
450,000 shares at \$0.30 .....	135,000.00
400,000 shares at \$0.20 .....	80,000.00
250,000 shares at \$0.25 .....	62,500.00
200,000 shares at \$0.15 .....	30,000.00
300,000 shares at \$0.12 .....	36,000.00
<u>575,000 shares at \$0.10 .....</u>	<u>57,500.00</u>
2,655,703 for .....	\$642,711.75
Shares issued for Diamond Drilling Services:	
300,000 shares at \$0.25 .....	75,000.00
Shares issued for Mining Claims:	
<u>1,000,000 shares at \$0.10 .....</u>	<u>100,000.00</u>
3,955,703 for .....	<u>\$817,711.75</u>

NOTE 5) 40,000 vendor's shares of the Company, which were originally issued along with 920,000 additional shares of the Company's capital stock for mining claims purchased by the Company, have been returned for the benefit of the Company and are held in trust with the Eastern & Chartered Company.



**DUMONT NICKEL CORPORATION**

(NO PERSONAL LIABILITY)

**EXPLORATION AND DEVELOPMENT EXPENSES**

for the period from 22nd September, 1954, date of Incorporation

to March 31st, 1966

	Balance from Inception to 31st March 1965	Additions	Balance from Inception to 31st March 1966
Diamond Drilling .....	\$118,954.19	\$ 3,590.07	\$122,544.26
Assaying .....	5,518.50	16.50	5,535.00
Magnetometer Survey .....	23,228.94		23,228.94
Core Boxes and Handling .....	567.20		567.20
Property Investigation .....	4,095.00		4,095.00
Staking .....	1,257.22		1,257.22
Trenching and Line Cutting .....	10,368.28		10,368.28
Engineering Fees and Expenses ..	23,290.72	509.90	23,800.62
Licenses .....	8,991.38	2,251.75	11,243.13
Materials and Supplies .....	2,255.00	34.74	2,289.74
Transportation and Travelling ....	479.10		479.10
	<u>\$199,005.53</u>	<u>\$ 6,402.96</u>	

EXPLORATION AND DEVELOPMENT EXPENSES,  
As at 31st March, 1966

\$205,408.49

LESS:

Portion of Expenses incurred on abandoned claims,  
carried to Deficit

103,493.90

EXPLORATION AND DEVELOPMENT EXPENSES,  
Carried to Balance Sheet

\$101,914.59

**DUMONT NICKEL CORPORATION**

(NO PERSONAL LIABILITY)

**GENERAL AND ADMINISTRATIVE EXPENSES**for the period from 22nd September 1954, date of Incorporation  
as at 31st March, 1966

	Balance from Inception to 31st March 1965	Additions	Balance from Inception to 31st March 1966
Trustees' Fees and Expenses ....	\$ 5,655.14	\$ 1,186.44	\$ 6,841.58
Legal and Audit Fees .....	19,077.66	2,522.00	21,599.66
Office Rent and Secretary Service .....	32,385.00	7,840.00	40,225.00
Toronto Office Expenses .....	2,568.76	1,384.00	3,952.76
Travelling .....	7,191.09	633.28	7,824.37
Telephone .....	5,238.39	1,104.10	6,342.49
Insurance .....	637.65	227.41	865.06
Postage, Stationnery and Printing .....	5,451.68	286.92	5,738.60
Public Relations .....	2,212.40	4,195.00	6,407.40
Shareholders' Information Management and Supervision- Director .....	9,594.37	869.29	10,463.66
Directors' Fees .....	46,650.00	7,600.00	54,250.00
Taxes and Fees .....	1,300.00	175.00	1,475.00
Interest and Bank Charges .....	2,935.57	435.98	3,371.55
Other Expenses .....	952.90	1,840.06	2,792.96
Commissions and Selling Expenses .....	543.17	690.02	1,233.19
	76,110.30		76,110.30
	<u>\$218,504.08</u>	<u>\$ 30,939.50</u>	<u>\$249,493.58</u>
LESS: Interest earned	\$ 26,004.00		\$ 26,004.00
Rent and Administrative Expenses:			
Office Rent and Secretary-Services .....	4,612.50	\$ 5,880.00	10,492.50
Toronto Office Expenses ..	814.95	1,038.00	1,852.95
Travelling .....	1,863.70	474.96	2,338.66
Telephone .....	777.17	828.08	1,605.25
Management and Supervi- sion-Director .....	3,750.00	3,800.00	7,550.00
	<u>\$ 37,822.32</u>	<u>\$ 12,021.04</u>	<u>\$ 49,843.36</u>
GENERAL AND ADMINISTRA- TIVE EXPENSES as at 31st March .....	<u>\$180,681.76</u>	<u>\$ 18,968.46</u>	<u>\$199,650.22</u>
LESS:			
Portion of Expenses incurred on abandoned claims, carried to Deficit			83,833.65
GENERAL AND ADMINISTRATIVE EXPENSES, carried to Balance Sheet			<u>\$115,816.57</u>





